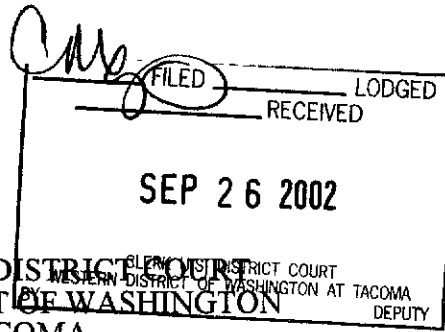


The Honorable Franklin D Burgess



UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT TACOMA

UNITED STATES OF AMERICA,

Plaintiff,

v

ASARCO INCORPORATED and
SOUTHERN PERU HOLDINGS
CORPORATION,

Defendants

Case No C02-5401 FDB

ANSWER

COME NOW Defendants ASARCO Incorporated ("Asarco") and SOUTHERN PERU HOLDINGS CORPORATION ("SPHC"), by their undersigned attorneys, for their answer to the complaint, alleging as follows

1 They admit that plaintiff purports to bring this action under the statutes cited and deny that plaintiff is entitled to any relief thereunder

2 They admit that this Court has jurisdiction over the subject matter of this action

3 They admit that this Court has personal jurisdiction over defendants

4 They deny that venue is proper in this District

5 They admit that an actual controversy exists and otherwise deny the averments of paragraph 5

SIDLEY AUSTIN BROWN & WOOD LLP
787 SEVENTH AVENUE
NEW YORK, NEW YORK 10019
TELEPHONE (212) 839-5300

6 They deny the averments of paragraph 6, except that they admit that Asarco's principal place of business is at 2575 Camelback Rd , Phoenix, Arizona, and they aver that Asarco is incorporated under the laws of the State of New Jersey

7 They admit the averments of paragraph 7

8 They admit the averments of paragraph 8

9 They admit the averments of paragraph 9

10 They admit that Asarco was purchased by Grupo Mexico in November 1999 and otherwise deny the averment of paragraph 10

11 They admit the averments of paragraph 11

12 They admit the averments of paragraph 12

13 They admit that two non-copper mining assets were sold and otherwise deny the averments of paragraph 13

14 They deny the averments of paragraph 14 and refer to Asarco's financial statements for the status of its debt

15 They admit the averments of paragraph 15

16 They admit the averments of paragraph 16

17 They admit the averments of paragraph 17

18 They deny the averments of paragraph 18 and aver that the indebtedness referred to is a downpayment and part of the consideration for the Transfer

19 They admit the averments of paragraph 19 and aver that they are under no legal obligation to market their interest in SPCC to unrelated outside parties

20 They deny the averments of paragraph 20, except they admit that Asarco is not paying all of its debts as they come due

DEFENDANTS' ANSWER

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SIDLEY AUSTIN BROWN & WOOD LLP
787 SEVENTH AVENUE
NEW YORK, NEW YORK 10019
TELEPHONE (212) 839-5300

21 In response to paragraph 21 they refer to the documents referred to therein for
their contents

22 In response to paragraph 22 they refer to the documents referred to therein for
their contents

23 In response to paragraph 23 they refer to the documents referred to therein for
their contents

24 They admit the averments of paragraph 24

25 They admit the averments of paragraph 25

26 They deny the averments of paragraph 26

27 They deny the averments of paragraph 27, except that they admit that they have
informed the United States that Asarco will have difficulty meeting some of its obligations

28 They deny the averments of paragraph 28, except that they admit that they have
informed the United States that Asarco will have difficulty meeting some of its obligations

29 They deny the averments of paragraph 29, except that they admit that Asarco is
selling some of its real estate assets

30 They deny the averments of paragraph 30

31 They deny the averments of paragraph 31

32 They deny the averments of paragraph 32

33 They deny the averments of paragraph 33

34 They deny the averments of paragraph 34

35 They deny the averments of paragraph 35

36 They deny the averments of paragraph 36

37 In response to paragraph 37, they reaver and incorporate by reference their
responses to paragraphs 1 through 36

38 Paragraph 38 is a conclusion of law to which no response is required

39 Paragraph 39 is a conclusion of law to which no response is required

40 Paragraph 40 is a conclusion of law to which no response is required

41 They deny the averments of paragraph 41

42 They deny the averments of paragraph 42

43 They deny the averments of paragraph 43

44 They deny the averments of paragraph 44

45 They deny the averments of paragraph 45

46 They deny the averments of paragraph 46

47 They deny the averments of paragraph 47

48 In response to paragraph 48, they reaver and incorporate by reference their
responses to paragraphs 1 through 46

49 They deny the averments of paragraph 49

50 They deny the averments of paragraph 50

51 In response to paragraph 51, they reaver and incorporate by reference their
responses to paragraphs 1 through 50

52 Paragraph 52 is a conclusion of law to which no response is required

53 They deny the averments of paragraph 53

54 They deny the averments of paragraph 54

55 They deny the averments of paragraph 55

56 They deny the averments of paragraph 56

DEFENDANTS' ANSWER

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SIDLEY AUSTIN BROWN & WOOD LLP
787 SEVENTH AVENUE
NEW YORK, NEW YORK 10019
TELEPHONE (212) 839-5300

57 In response to paragraph 57, they reaver and incorporate by reference their
responses to paragraphs 1 through 56

58 Paragraph 58 is a conclusion of law to which no response is required

59 They deny the averments of paragraph 59

60 They deny the averments of paragraph 60

61 They deny the averments of paragraph 61

62 In response to paragraph 62, they reaver and incorporate by reference their
responses to paragraphs 1 through 61

63 They deny the averments of paragraph 63

64 They deny the averments of paragraph 64

FIRST DEFENSE

The complaint fails to state a claim upon which relief can be granted

SECOND DEFENSE

For the convenience of parties and witnesses and in the interests of justice, this action
should be transferred to the United States District Court for the District of Arizona

WHEREFORE, defendants demand judgment dismissing the complaint and granting
them costs and such other and further relief as the Court deems just and proper

Respectfully submitted,



James J. Sabella
SIDLEY AUSTIN BROWN & WOOD LLP
787 Seventh Avenue
New York, New York 10019

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SIDLEY AUSTIN BROWN & WOOD LLP
787 SEVENTH AVENUE
NEW YORK, NEW YORK 10019
TELEPHONE (212) 839-5300

Michael Thorp, WSBA #5923
HELLER EHRMAN WHITE & MCAULIFFE LLP
701 Fifth Avenue
Seattle, Washington 98104

Angus Macbeth
SIDLEY AUSTIN BROWN & WOOD LLP
150 K Street, N W
Washington, D C 20005

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SIDLEY AUSTIN BROWN & WOOD LLP
787 SEVENTH AVENUE
NEW YORK, NEW YORK 10019
TELEPHONE (212) 839-5300

Certificate Of Service

James J Sabella certifies and declares under penalty of perjury as follows

That he is employed with the law firm of SIDLEY AUSTIN BROWN & WOOD LLP, that on September 24, 2002, he served by the method set forth below upon counsel of record at the addresses and in the manner described below, the following document

Defendants' answer to the complaint

Service List

Attorneys for Plaintiff

David L. Dain
Steven A. Keller
Kim Sabo
U S Department of Justice
Environmental Enforcement Section
P O Box 7611
Washington, D C 20044

☐ Mail
☐ Hand Delivery via messenger service
☐ FAX
☒ Federal Express

Brian C. Kipnis
Assistant United States Attorney
Chief, Civil Division
Office of the United States Attorney
Western District of Washington
5100 Two Union Square
Seattle, WA 98104

☒ Mail
☐ Hand Delivery via messenger service
☐ FAX
☐ Federal Express

Dated this 24th day of September, 2002


James J. Sabella

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SIDLEY AUSTIN BROWN & WOOD LLP
787 SEVENTH AVENUE
NEW YORK, NEW YORK 10019
TELEPHONE (212) 839-5300